OFFICE OF THE SECRETARY OF FAMILY AND SOCIAL SERVICES

Notice of Public Hearing

The Indiana Family and Social Services Administration (FSSA) will be holding public hearings on a five-year Medicaid 1115 demonstration waiver application for the Healthy Indiana Plan 2.0 (HIP 2.0) for calendar years 2015-2019. FSSA also will present its request for a three-year extension of the existing Healthy Indiana Plan (HIP) waiver for calendar years 2015-2017. At both public hearings, FSSA will first briefly describe and take public comment on the HIP 2.0 waiver application. Immediately following the conclusion of the HIP 2.0 hearing, FSSA will briefly describe and take public comment on the HIP renewal application.

Pursuant to 42 CFR Part 431.408(a)(2)(ii), FSSA hereby gives notice of the following public hearings:

- (1) Wednesday, May 28, 2014, at 9:00 a.m., at the Indiana Government Center South, 402 West Washington Street, Conference Center Room B, Indianapolis, Indiana 46204-2744.
- (2) Thursday, May 29, 2014, at 1:00 p.m., at the Indiana State House, 200 West Washington Street, Room 156-B, Indianapolis, Indiana 46204-2786.

FSSA will present both the HIP 2.0 waiver application and the HIP waiver renewal application to the Medicaid Advisory Committee on Wednesday, June 4, 2014, at 10:00 a.m., at the Indiana War Memorial, Shoup Hall, 431 North Meridian Street, Indianapolis, IN 46204.

HIP 2.0 Waiver Application

The current 1115 waiver for the existing HIP program is set to expire on December 31, 2014. The HIP 2.0 waiver application requests an expansion of HIP eligibility to individuals previously excluded from the program due to enrollment limitations. The HIP 2.0 waiver application seeks to cover all nondisabled adults between the ages of 19 and 64 with household income less than 138% of the federal poverty level.

In addition, the HIP 2.0 waiver proposes several key enhancements to the HIP program based on the program's first six years of experience. First, HIP 2.0 will institute new, affordable monthly contributions to the Personal Wellness and Responsibility (POWER) account. Both the plan deductible and the POWER account will increase to \$2,500, and the state will fully fund the account in the amount equaling the difference between the member's required contribution and the deductible. HIP 2.0 also creates a value proposition for Hoosiers below the federal poverty level to contribute to their POWER account by rewarding those that contribute with access to the "HIP Plus" plan, an enhanced benefit plan that covers dental and vision care, while individuals who choose not to make financial contributions will maintain coverage through the HIP Basic plan, a more limited health benefits plan that will require copayments for services rather than monthly contributions. Both the HIP Basic and HIP Plus plans eliminate the current lifetime and annual limits that are present in the current HIP program.

The HIP 2.0 waiver also requests the addition of a new optional HIP Employer Benefit Link (HIP Link) that will provide premium assistance in the form of a defined contribution to help HIP-eligible members afford their employer-sponsored insurance plans, if available.

HIP Waiver Renewal Application

The HIP waiver renewal application is submitted concurrently with the HIP 2.0 waiver. In the event the Centers for Medicare and Medicaid (CMS) does not approve the state's HIP 2.0 waiver request, FSSA submits this alternative waiver renewal application to preserve the existing HIP program for its current enrollees who rely on the program.

The HIP waiver renewal application contemplates an extension of the current HIP program, which covers nondisabled adults between the ages of 19 and 64 with household income less than 100% of the federal poverty level who are not otherwise eligible for Medicaid. The program includes a \$1,100 deductible and a POWER account to fund the deductible. Individuals are required to make monthly contributions to the POWER account, and the state funds the remainder of the account to ensure that the \$1,100 deductible can be met. After the plan deductible is met by way of the POWER account, the HIP program includes a comprehensive health plan benefits package up to \$300,000 annually and a \$1 million lifetime benefits limit.

Although HIP does not limit enrollment for parents and caretaker relatives with income below 100% FPL, the state does impose a firm enrollment cap of 36,500 on the number of noncaretakers allowed to participate in HIP. The

HIP waiver requests continuation of the state's authority under the existing program to modify eligibility criteria if the state projects that costs for the program will exceed annually authorized and appropriated state funds.

Written Comments

Copies of the HIP 2.0 waiver application and the HIP waiver renewal documents are now on file at the FSSA, Office of the General Counsel, 402 West Washington Street, Room W451, Indianapolis, Indiana 46204 and are open for public inspection. The full Public Notice and the proposed HIP 2.0 and HIP renewal waiver documents are also available online at:

www.HIP.in.gov

You may submit written comments to the FSSA via mail or electronically to the addresses provided below through June 21, 2014. Please provide written comments to the following locations:

(1) HIP 2.0 Waiver Application. Mail written comments to 402 West Washington Street, Room W374, Indianapolis, IN 46204, Attention: Steve Holt or via e-mail at:

HIP2.0@fssa.in.gov

Please mark "HIP 2.0" in the heading of your written comments.

(2) HIP Waiver Renewal Application. Mail written comments to 402 West Washington Street, Room W374, Indianapolis, IN 46204, Attention: Steve Holt or via e-mail at:

HIP.Renewal@fssa.in.gov

Please mark "HIP extension request" in the heading of your written comments.

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